INSIDE:

ARCHITECTURAL VERNACULAR IN NIGERIA

THE HOTEL ROOM INVESTMENT OPTION

POSSIBILITIES FOR REAL ESTATE IN 2021
Santos kitchens from Spain are differentiated by the development of their accessories, paying attention to the smallest details in order to facilitate organization and take advantage of space. At Santos we develop and manufacture high quality, resistant, ergonomic and functional kitchen furniture, with a careful interior and exterior design. Our main objective is to satisfy the work, storage and organization needs of users, creating solutions that offer the maximum performance in the minimum space. Below we invite you to know the main reasons to trust us.

For more information and enquiries, please contact: +234 705 551 9999
Welcome, once again, to the new BusinessDay Homes and Property magazine. We are back to the turf and this time more grounded and determined than ever.

The brief interlude we have experienced was in all intents and purposes innocuous, not frivolous. That interlude afforded us an opportunity to rethink, refocus and re-dimension our offering.

Our aim as always is to redefine the way property reporting, analysis and marketing are done in Nigeria. It is our hope that, working with our partners, Gilead Global Partners, a real estate marketing and advisory firm, we will provide robust content that will surpass expectations of our readers all over the world.

That is why, in this edition, we are more quality-focused, more indepth and of wider reach in terms of research and reporting. What we offer here is largely an investment and opportunities-focused information that also projects into the possibilities of 2021.

Our menu is rich and the dish, sumptuous. Our opener offers a glimpse into the future of this sector that has had to contend with challenging times occasioned by a global virus clawing unrelentlessly into national and global economies. The EndSARS protest was also a huge limiting factor.

Besides an insightful interview with a hard-nosed property personality, this edition also offers features, and experts opinions on the burgeoning but greatly challenged real estate market in Nigeria.
Success in Hotel Room Investments could occur if you’re relying on Geographical Arbitrage as a means of leveling up. Earning money in a stronger economy and investing it in a weaker economy could birth the goldmine we all seek. Ironically, lots of people do the opposite when they purchase their clothes, groceries and even investment property from stronger economies they have no earnings in. We live in a global village and such transactions may not be necessary, but they may inevitably occur due to varying tastes, living standards and a quest to acclimatize to the highest standards of global culture.

The Hotel Room Investment typically involves buying a unit in a hotel and allowing its management operate it on the investor’s behalf while the returns on investment are repatriated to the various owners of the units on a regular basis. Let’s use a hotel room in Batumi, Georgia to explain what a hotel room investment looks like.

Investing in a hotel room in Batumi will earn you passive income for at least 5-7 years in a good economy. For such an investment, one may spend between $30,000– 50,000 for a hotel room and may pay with cash or bitcoin. When occupancy is good, an investor may realize up to $5000 per annum and cover his investment cost in 8 years. However, low occupancy will extend this time to about 14 years, realizing up to $3000 per annum. Lots of Europeans and Americans from bourgeoning economies that invest in a place like this, are laughing to the bank and letting their money work for them. This could also be the case in Nigeria as people that have access to earnings in foreign currency could invest in similar offerings with the opportunity to recoup the total investment sum after 10 years.

For a niche investment like this, taking advantage of peak seasons could make or mar your investment. In December 2018, an estimated 3 million people came into Nigeria for the holiday season. Over N50 billion in cash transactions was recorded within the entertainment and tourism sectors in 2017 and 2018. This clearly explains why many hotels and serviced apartments are fully booked during the holiday season.
What Kind of Investor is this for?

A hotel room investment clearly appeals to a demographic who will not have the time to “check” on the status of their property at fairly periodic intervals. It also appeals to people who understand African Inter-Trade trends and Real Estate investors in diaspora who crave the benefits of geographical arbitrage and owning a piece of Real Estate in the “motherland”. People who view Africa and Nigeria especially as a viable market due to our population density will definitely have an interest in investing where it would seem that occupancy is not a problem. The Hotel Room investment is especially convenient for Institutional investors who wish to diversify their investment portfolio and make healthy returns on behalf of a subscriber group.

Determinants of a Good Investment

Lifestyle Focus: The Nigerian population is currently over 206 million people with a yearly increase of +2.58%. Our urban population is currently 52% of the total (206,139,589) and median age 18.1 years according to UN Data. This supports the fact that there is a heavy attraction to the younger generation and busy professionals for lifestyle-based and Live, work and play centered developments. With competitive yet affordable pricing, this is more likely to positively increase occupancy. A luxury focused hotel investment is also worth considering but market share and the number of people with such disposable income affects the magnitude of investment success.

Attractive Secondary Market: The value placed on a property that is yet to be completed will increase upon construction completion and continue to appreciate depending on the existing facilities, management and maintenance available. For example, the Nano by Purple in PurpleLekki is currently on sale for N45,000,000. Investors that tie into this investment at this stage will realize an increase in unit value upon completion and occupancy.

“Hands-Off“ Investment: Just like land banking, the hotel room and serviced apartment investments are hands-off investments where the investor merely provides the funds and allows the trusted hotel brand or property management team focus on the establishment’s operations and hospitality. The investor conveniently imagine having an operator lease out a studio or 1 bedroom apartment for a 100 days out of 365 days in a year at N50,000 a night. On a short-let basis, the investor receives N5,000,000 per annum at approximately 30% of the year.

Effective Management: A hotel is only as good as its facility and hospitality management. Improper management may cause dents in the profit box of a lifestyle or luxury focused hotel. Nice architecture and good finishing is one thing but investors need to be satisfied that their investment will be managed well by an experienced brand to yield profits.

As the economy opens up and with less than a 100 days to Christmas 2020, Real Estate investors are still in the process of deciding where to hedge their risks with some considering turnkey investments or the option of rental arbitrage for an Air BnB. A fact remains that lifestyle has a positive effect on Real Estate investments; a badly mapped out lifestyle strategy could turn a good investment, bad, especially with the hotel room investment- a members only goldmine.

Feso Adeniji is the Chief Marketing Officer of Arcee Realty, A boutique commercial and residential brokerage specializing in Property Marketing and Consultation. Her previous experience in the OTC Market where she focused on Legal and Compliance and was involved in Product Development has shaped her interests for Commercial Real Estate and niche investments. Feso holds an LLB Law with Business and an MSc International Business from the University of Hull, UK. She has also been called to the Nigerian Bar.
Gradually, we are getting 2020 and all its challenges, especially Covid-19 and #EndSARS protests, behind us. That said, what do you see as the future of real estate in Nigeria?

We’ve seen numerous shifts in the past few years, from the rise of shared spaces and services bringing about co-working and co-living to this year, which has also shown us the value of mixed use assets. But there is also a need for privacy and self-sustainability. We believe there is a shift towards smaller, mixed used facilities that give customers some sort of balanced, but affordable and flexible lifestyle.

This is the immediate future of real estate and it is what our Purple Nano product line brings to complement our Purple Lekki and eventually our Purple Maryland (formerly Maryland Mall) product offerings. The drive is to be able to deliver on work, shop, eat, play, drink and live concept across our product offerings and back it up with a strong online marketplace, purple.shop.

Generally speaking, the investment market looks hazy. What do you think about that market in Nigeria?

The recent economic and currency issues in Nigeria has made investors wary. The confidence level in the Nigerian policy environment and in the market needs to be rebuilt. Fortunately, our product offerings work for our partners and our short, long and residential product are essentials. We have witnessed a significant off-take despite the turbulence associated with 2020. For Purple, we continue to build confidence that our investors have in us.

Our plan is to continuously deliver value to them. We aimed to remain liquid prior to the pandemic whilst restructuring our books. We are achieving that via a combination of a second round of equity investment achieved in the chaotic year of 2020 plus additional domestic debt funding for our expansionary activities within the essential space despite market conditions.

We are still open for further investment on both the equity and debt funding and we have received significant interest across both lines. We would obviously inform the market as we proceed and take necessary corporate actions over the next year culminating in the institutionalisation of the business backed by decent corporate governance and processes. All of our daring steps have provided the pathway to create new products like PurpleLekki, PurpleNano and Purpleshop to our existing purpleMaryland, formerly Maryland mall.

These products can adapt in the worst of economic circumstances and also thrive in the best economic clime. Investors need to take this current economic cycle to back the leading companies of tomorrow, today. Our ultimate plan is to provide a liquidity offering for our investors over the next 24 months via a public offering or listing in the appropriate market and at the appropriate time.

Let’s take a look at that man who puts his money in this sector, that is, the investor or developer like you. What are your major challenges playing in this space?

For us as a lifestyle and real estate development business, the ability to deliver products to our customers and partners at sustainably attractive prices makes our major priority. Prior to a lower interest rate regime currently being experienced, attractive naira-based financing for real estate lifestyle, especially around hospitality, has not been entirely forthcoming.

We need supportive policies and economic laws to ensure we are all driving towards resolving shelter deficits in every form whether it be residential or hospitality. There is obviously an infrastructure gap that can only be driven by investors. This is even more apparent now than ever with the collapse of the oil price coupled with the pandemic.

LAIDE AGBOOLA is the Co-founder and CEO, Purple Group—an investment and development firm with strong footprints in the various segments of the real estate market. Agboola is a transformational entrepreneur and finance executive who has driven impact across multiple corporations and in various roles spanning corporate finance, asset management, investment banking, real estate and now lifestyle development. In this interview with CHUKA UROKO, he offers insights into Nigeria’s real estate sector,
We can feel the need for domestic players and institutions to back leading domestic players that have boots on the ground and neck deep in the development cycle of Nigeria. We are not a portfolio international company or investor. We are Nigerians and we are on ground.

Apart from development challenges, there are operational challenges from power cost, good access roads and other infrastructural deficits, meaning that developers have to bear these costs. We are very mindful of pricing and continuous increase in prices in a down market. Our ability to sell or lease products at attractive prices can only be sustained where we do not have variables moving constantly.

Our target is to continuously work on delivering value assets to our customers and partners at attractive prices irrespective of the exchange rate movements experienced. These movements form a threat to our margins created from lower interest rate regimes as our ultimate plan is not to continuously pass on this exchange rate changes in our lifestyle developments to our consumers. Our focus is to develop Nigeria, but Nigeria must provide an investment climate that is evidently supportive of growth so that domestic players and institutions do not shy away from investing locally, especially at a time like this. We are all we have.

PurpleLekki is an ambitious, well conceived project. What is Purple set out to achieve with it?

Our strategy is a mixed use development to ensure that all of our assets are sustainable and can continue to generate diversified income and returns no matter the economic situation. Our flagship asset, PurpleMaryland has shown us that this model is practical and optimal for a market such as Nigeria. With PurpleLekki, our goal is to take this mixed use format to the next level by including Live (co-Living, short and long stay) to our existing retail, entertainment, advertising and co-working offering.

This means end users can enjoy an all-inclusive lifestyle within our assets. They can shop, work, eat, play and live all within the same insulated well-secured complex. This we believe can be an advantage as the world continues to respond to the global pandemic and the change it has brought to daily living. In conceptualization, prior to the pandemic, we believed this is where the market should drive to and with the pandemic, it is now proving that our feasibility work is further grounded by the 2020 pandemic.

Retail, which is your major line of business had it rough at the peak of the pandemic. How did you surmount the challenges?

With our centre, the lockdown experienced last year made it challenging for our retailers world over to make sales. This had the knock-on effect of being able to afford rental payments. Our board and investors swung to action in providing rent-free periods to cushion the effect on our partner retailers. We expect to work out with our investing partners, a resounding way of also cushioning the effects on us. We have had to give grants to help cushion the impact for our tenants and partners.

In addition, we have accelerated our plans to create an online platform to supplement our brick and mortar network. This platform allows us to service our retailers and mall users bridging the gap between the two during future isolated times and a daily service offering to our teaming first and third party retailers as well as our customers. In our developments, we are also aligning the interest of our development contractors with ours to ensure success in trying times like this.

You recently implemented a brand restructuring and offered new products. What values will these add to Purple as a group?

The Purple values have always been perseverance, audacity, collaboration and transparency. Although these principles have guided us thus far, we have only just better defined them such that our end users feel the Purple way. We want to ensure our investors also remain very much at the centre of all we do as a business. With our new products, we are only ensuring that we offer our investors a diversified portfolio that enhances better returns.

For example, our Nanos will feature top tier hotel management services. Merging this hotel management approach with a residential style building has created a unique well catered experience for occupiers as well as a viable professionally managed asset for investors who are able to receive an assured tenancy return for these Nanos at PurpleLekki, only where they choose to. Like I mentioned earlier, the success of PurpleNano at PurpleLekki is pushing for the need to deliver competitively priced PurpleNano to our mainland audience.
Every business has its model and inspiration. Who and what is Purple as a business modeled after?

The South African/Mauritian Company, Grit and the American Simon are two interesting businesses we observe. In terms of growing a chain of assets, albeit mixed use in our case, these two businesses have shown what is possible for developers in this sector. For us, it is not a mere adaptation of what is in trend in other jurisdictions, but about what is workable in our domestic jurisdiction.

We have aspirations of international diversification in the retail space and are working with other international partners to bring this to life in the coming years. Our goals are daring and a path to it is clear. We believe we can achieve those targets and remain relevant domestically and internationally. Our ultimate plan is to be able to provide a warehouse for the domestic large institutional investment base for regional and international foray.

Most times, businesses find it difficult to define their niche market, particularly in a challenging economy. What has been your experience?

We are focused on the mid-market niche as this space continues to house a majority of Nigerians. The universe of investors, large and small, is significant in a market size like Nigeria. Purple will serve as the platform for realisation of wealth and value creation.

We have seen the spending power of this sector improve significantly over the years and this group is aspirational in nature. We are hoping to continue to grow with this market and help this group of customers continue to improve their quality of life through access to our group’s offerings and capital structure now and in the new future.

Realistically, would you say your business model has been accepted by the market? What aspects of your operation need to be improved upon?

Yes! We have seen a positive response to our products as our Lekki Nanos has pretty much sold out even during the uncertainty of 2020. We only opened up for sale immediately after the lockdown was over and we have thus far achieved 75% cash backed sale commitment.

This product is for everyone. If you do not have one in your portfolio, then we really do not understand your investment philosophy. It is a needed product even if you are in the Diaspora and need an apartment –hotel-styled property or you are a domestic investor needing yielding assets or you are a family man looking for an attractively priced, properly operated space or gift item for your loved ones or a co-living experience.

This gives us confidence that people understand the value of what we are building. Though we have achieved a lot within a short period, these businesses are still young and learning. We are optimistic that operationally we will continue to improve efficiency and speed in delivering for our customers and investors.
Our Features Editor, Omotayo Adeniran chats with... Oke Onyehara of Blochaus Africa

1. A brief overview of Blochaus Africa; when it was established, work culture and administrators

ABOUT US
As Multiple Award Winning Real Estate Developers in Lagos-Nigeria, Bloc Haus is forging a new standard in the Residential Estate Construction as we seek to envelope a multitude of innovations to create thoughtful and captivating spaces.

Bloc Haus builds spaces that inspires you, in areas that have substantial upside appreciation thereby providing investors with above average returns.

As people find value in our spaces where they can collaborate and be more productive, we help them succeed.

WORK CULTURE
We aspire to provide the ultimate real estate experience for today’s modern investor. We are not confined by the traditional real estate boundaries when it comes to designing and development, instead, we are always finding new and innovative ways to satisfy our client’s needs and be at the forefront of the market.

ADMINISTRATORS
Bloc Haus was founded by Oke Onyehara, a frontline entrepreneur and turn-around expert.

Onyehara’s success is engineered by his strategic vision, thus providing clear direction for his organizations.

Okechukwu holds an LLB(Hons) in Civil Law, Advanced Management Certificate in Industrial safety, planning and control management from the Federal College of Education, Akoka, Lagos.

He is also a member of the Chartered Institute of Arbitration(UK). He has attended both local and international seminars including the British Council management excellence program and the Lagos Business School(LBS).
2. There is an influx of property developers in the country, what sets BLOCKHAUS AFRICA apart?

With the teeming competition and looking at how the future of the property market will be judged and how to unlock the advantages that abound in the real estate industry, Bloc Haus has set itself apart by engaging Customer Experience Management.

From our sales efforts to inspections, due diligence to the actual buying process of our projects is a WOW experience. It is seamless, as we provide the ultimate real estate experience to today's modern investors.

As you must know, today's modern investor will buy different and will question any project that is not pro-market liberated.

3. What are the unique qualities of your properties?

Two things we have incorporated into our projects are functionality and lifestyle.

First of all, our project must be fit for purpose.

Secondly, we inculcate a little luxury placing the individuals aspirations and dreams into our built spaces.

4. How much do you incorporate technology in your properties?

The use of technology in built spaces cannot be overemphasized.

For example on our premium maisonettes (The Vault), nothing more is smarter than what we are delivering.

From our home automation systems that will control lighting, climate, entertainment systems, and appliances to home security such as access control and alarm systems.

All these are connected with the Internet, home devices are an important constituent of the Internet of Things as technology moves forward.

5. What are the benefits of investing in real estate through you?

In investing with Bloc Haus, we apply our knowledge of the market and neighbourhood trends to identify and acquire real estate in areas that have substantial upside appreciation thereby providing investors with above average returns.

6. Who are the contractors you majorly work with?

We actually run everything in-house, however we consult quite a number of professionals on matters bordering on CPT tests, Structural Integrity, Valuations, Mechanical & Electrical, Roofing systems and so on.

Our major consultants are PRECCAN Engineering, Technocraft Roofing Systems and One Enterprise Developments.

7. Are you working on any project right now; location and brief description?

THE VAULT

The VAULT is premium residential home where you can Live life in the ambience of your own private space.

The neighborhood is very required due to its
- High expatriate
- Employed population,
- Its beaches (recreational),
- Its multiple green areas,
- The number of shops, schools
- And its excellent connection to the city centre.

LOCATION:

Five Oaks Residences, Eleko Lagos. 1 minute drive from eleko junction.
FEATURES
- Dressing Room
- Walk-in Closet
- En Suite Bedroom
- Open Floored Kitchen and Fully Equipped
- Marble Tiled Floors
- Ample Parking Space
- Round the Clock Concierge Services
- 24-Hour Security
- Equipped Gym and Swimming pool

8. How is Blochaus Africa setting a pace in the real estate industry?
Bloc Haus was the first company within the Lagos area that commenced 24hours allocation within its residential serviced estates.

We started this because we noticed that a lot of first generation companies were only issuing provisional allocation on paper without actually allocating physically on site.

9. In light of the Covid 19 pandemic, is there a payment plan to make payment easier?
Our payment plans are 0-3 months which is considered as Outright payments and 0-6months upon initial deposit of N3,999999.OOk.

This allows the subscriber to make equal instalments after the initial deposit has been made.

10. What advice would you give potential investors?
The Nigeria housing deficit currently around 16 million units and it requires more than N56 trillion to provide the 16 million housing units to bridge the housing deficit at a conservation cost of N3. 5 million per unit in the country.
The government alone cannot do it. Therefore, Investors are laying a foundation that could unlock unlimited wealth through rental incomes and so.
TIPS ON NATURAL VENTILATION IN THE HOME

by ADENIRAN OMOTAYO

Natural ventilation is one of the basic ways to introduce fresh and cool air without using air-conditioning or other types of mechanically driven devices. Today we bring you tips on how to infuse nature into your immediate environment to improve natural ventilation in your home.

1. **Ground Covering:** Cover pavements and surrounding grounds with grass or other low heat-absorbing materials. By opting for grass, for example, the heat retained in the ground is very minimal. This will greatly help to direct cool air inside your home or building.

2. **Earth mounds:** These are amazing examples of biomimicry that derive their air circulation concepts from insect mounds. They are great to add as a part of your home/garden/yard landscape to help aid air circulation.
3. **Water Elements:** Like in many oriental landscapes and home designs, water is an important element. Fountains, pools, or swimming pools can act as transition spaces where the air is naturally cooled before passing through interiors.

4. **Frequent Opening of Windows:** Like in many oriental landscapes and home designs, water is an important element. Fountains, pools, or swimming pools can act as transition spaces where the air is naturally cooled before passing through interiors.

5. **Window Heights:** Installing windows that are at least 3.6 feet high helps indoor air movement and also reduces the heat load on ceilings.

6. **Air Deflectors:** These can be positioned either horizontally or vertically to redirect airflow and can be installed in the form of overhangs, louvers, or slats and should be placed on a higher level to redirect the flow of air.

7. **Window Orientation:** Windows should be placed on the north and south areas for optimum cross-ventilation unless it hinders aesthetic views. This encourages natural breeze and draws in good airflow into interiors, especially during the summer months.

8. **Transitional Spaces:** Incorporate courts, balconies, atriums, terraces and other open spaces that encourage airflow.

The advantages of natural ventilation are compelling. The energy costs such as cost of cooling appliances are dramatically lowered down, air quality is improved and chemical substances released in the air by air conditioners or other mechanical devices are minimized. Overall, using natural ventilation in your home can have a tremendous positive impact on its occupants, the building itself, and the environment.

(Culled from SOON Industry and Co, Ltd)
ARCHITECTURAL VERNACULAR IN NIGERIA: OUR IDENTITY

by ADEBAYO ADEDAYO

Buildings of traditional makeup in the Nigerian habitation space have proven to withstand the climatic conditions of the country. Constructed with natural and local technology notwithstanding, some have proven to stand the test of time. Dating back to the Nigerian pre-colonisation era and civilization, human habitation in the country has evolved into ancient relics and point of attraction.

The vernacular architecture of Nigerian buildings came into being through the innovation of local builders. Buildings before civilization exhibit and fashioned after several factors like religion, beliefs, culture and taboos. What is also fascinating is that the advent of modern buildings were fashioned after the traditional ones. There exists a connection in building design and construction between both eras. Prior and after independence in October, 1960, the concept of crude architecture was relegated by the nation and modern developments in the Real Estate were wholly adopted. This article investigates what the architecture of the country was in ancient traditional times.

Vernacular Architecture in Northern Nigeria

The building structures that were available in ancient Northern Nigeria were majorly as a result of first; the climatic condition of the region and then, the availability of building materials available for use. Other factors were religion and the philosophy of the predominant Hausa people. The trade patterns coupled with the advent of Islam influenced the building pattern in the ancient Northern region.

The Hausas operated what was known as the Compound (Gida) settlement pattern which was based on extended family and subdivided into sections. The Gida, with time, grew into towns that consisted of nucleated settlements surrounded with walls for defense. Kano and Zaria towns as at that time are examples of cities with protective walls.

The materials used in construction were soils available in their immediate vicinity. These soils are majorly loose soils and are less plastic in nature. This required that other materials like grass binders, locust bean pods and cow dung be added to improve the plasticity of the soil. Thereafter, it is moulded for construction of the buildings. Building involves moulding mud wall bricks which are left to dry before use. In construction, small doors are utilized with little or no window opening so as to reduce the effect of hot, dry and dusty wind associated with the North.

The roof construction involves split palm fronds laid in beams in herringbone fashion and thereafter plastered on both sides with mud. The use of mud roofs helped to keep in check extreme temperatures. Mud roofs are semiconductors that help in maintaining equilibrium in temperature both in the day and night.
Vernacular Architecture in Southern Nigeria

In Southern Nigeria, the pre-colonial Yoruba and Igbo people lived in clusters around the King's palace and the open market forming a circular pattern. Families, like the Hausas, lived in structures built to enclose a space referred to as the courtyard. The traditional Yoruba architecture takes the form of hollow circles or square shaped buildings that surrounds an open space.

This pattern was adopted to help improve social ties, for security and for privacy. The open spaces encourage ease in communication between members of a family. Materials used in building construction are moulded from laterite soils. The moulded soils are used majorly for walls and are constructed without little or no provision for windows. Roofing the mud structures is determined by the climate of the region and best available materials. Hence, raffia palm leaves served as the main material for construction of roofs as against the substitute of palm fronds used in the North.

The Igbo people made their roofs from skeletal frameworks made with sliced bamboo poles that were held firm with palm fronds. This was to avert the effects of storms or heavy winds. The process is completed by thatching the frame structure with grasses and fronds. Since concrete beams were absent then, bamboos were used to support the roof structure.

The houses of dignitaries such as the king and chiefs took a more appealing view. They had painted walls, attached animal murals and extended courtyards for different communal activities.
Pre-colonialism and the trends afterwards

The arrival of colonialism in Nigeria changed the narrative for the entire real estate industry and not leaving out the tenure system. The nation during colonisation experienced a rapid turnaround in the building construction industry, in terms of structure, design and building materials used. These changes however were not devoid of the basic necessities of shelter. It incorporated social activities, safety, space, privacy, security and other functions that promoted the wellbeing and dignified living of people.

The building structures that accommodated the colonial masters were constructed with timber and prefabricated materials imported from England. Some of these structures are still seen in present day Nigeria. Examples are the State House and Secretariat, early missionary churches and cathedrals. The trend hasn’t been the same afterwards. The construction industry has and is still witnessing changes. Improvement and innovation have transformed building designs, and materials used. However, the present day reliance on modern design techniques and materials has led to uprisings cost in construction and housing.

The diverse and unique identity of the country is somewhat attributed to its traditional building design concept at different regions of socio-economic and cultural backgrounds. These traditional buildings not only reflect the cultural lifestyle of Nigerians, it also portrays the symbol and heritage of the people in a good light. Nonetheless, despite the injection of civilization and modernization into the nation in terms of style, methods and materials of construction; building professionals, contractors and researchers should be cognizant of the social, cultural and religious beliefs of their users or clients. Also, the possibility of developing innovations to harmonise or merge outstanding features of traditional buildings with modern ones should be given adequate consideration.
WHAT ARE THE POSSIBILITIES FOR REAL ESTATE IN 2021?

2020 will be described as the year of unprecedented shifts and shocks. COVID-19 effects were evident in the economy and real estate markets world over. Crude oil prices hovered around $42p and employment numbers weakened. And while new business opportunities opened up, few firms are likely to return to the organisational structures of 2019.

For a frontier market dependent on oil revenues, this formed an unwieldy canvass for much of the year. The $30Trn global commercial-property market was tested once more as occupiers required less space understanding that (work from home (WFH)) may become the norm.

The nation moved from 6th to 3rd in 2019 on Absa’s Financial Markets 2020 Index. One commonality across all funding reports is the rise and domination of Nigeria as an investment destination. Nigeria is the leading destination for startup venture capital investment on the continent. But the currency remains a sore point and manoeuvrings by the CBN, while well-meaning has done little to stem its.

Police brutality against Nigeria’s young demographic vaulted the country to the international stage as the government sought to recover from poorly handled peaceful protests. This brought to the fore recurring issues in government transparency. The youth would return to making the most of the Nigeria economy, contributing to much of the businesses online. Transactions value increased from $77Bn in Q2 to $116Bn in Q3 2020.

Where opportunities exist for patient capital

In the latest global report on media cities by Savills, Lagos comes in at 20th being the centre of Nigeria’s media industry and gaining popularity both through the Nigerian Diaspora and streaming services. Nigeria’s film industry has made much of the government funding it received in recent years and is a key employer in the Nigerian economy.

Rack Centre will be expanding its data centre with a $100M investment, creating a total net lettable space of 6,000sqm. Hyprop reached an agreement with an undisclosed buyer to sell its stake in the Ikeja City Mall for $115M, good news overshadowed only by the fact that it bought said stake for $155M in 2015. Enquiries for residential leases have been steady for much of the year, but more so for an extra room.
Tenants in 1-bed apartments are looking to add one more room and those in 2 beds are going for three - possibly to make room for WFH. Buyers appear more interested in 4 -bedroom apartments, especially in the city centres. Most prospects now prefer locations that are either in secure gated communities, a safe distance from the highways or both.

There is a general shift toward the local investor as a source of investment. Treasuries aren’t offering attractive rates and well directed real estate investments are no longer as hard a sell. The demand for last mile industrial real estate is expected to grow, a result of the growth in online retail, logistics and pharma.

Healthcare, neighbourhood retail and residential developments are posting respectable results, encouraged by the break in the global supply chain and the added motivations to look local first.

Demand for residential leases in secure gated communities will continue to grow along with locations a safe distance from major thoroughfares. The Grade office market will return much different from what it was before the pandemic - less occupied, not as pricey. Expectation is that data centres, cell towers, power cabins and the like will continue benefiting from the heightened use of technology. Single use developments have become a fading concept.

The projects that will weather the present, and increasingly, the future will be mixed-use, combining residential, retail, office, and healthcare.

Prospects in construction industry
Looking into 2021, Tope Runsewe, CEO, Dutum Construction, sees growth in the demand for quality delivery, rise in price of important materials (local suppliers, backward integration), a rise in the demand for indigenous construction firms and an improvement in local expert pool due to the return of indigenous experts with international experience.

Dutum has past and ongoing construction projects in their portfolio including education, retail, hospitality, aviation, and infrastructure aspects of Nigeria’s real estate market.

Outlook for 2021
Mixed use projects with well planned residential components are projected to deliver above average results. Grade A office vacancies are expected to increase and those with rentals above $350psm may find it difficult securing tenants. The pace of conversions from residential to office will accelerate.

Industrial real estate is projected to grow based on sustained online retail and last mile delivery considerations. This is expected to drive infrastructure development. Hospitality’s growth will depend on the release of a vaccine for Nigeria and the degree of innovation as pivoting to allied services. Land is expected to remain a resilient store of value and continue to attract investment.
I bet you never knew!

Windows are awesome parts of the house, they are the pathways to sun rays, beauty and colours into the home but how much attention do we pay to them? On this edition, we bring to you incredible facts on windows that I bet you never knew!
The word ‘window’ comes from Old Norse and is a combination of vindr “wind” and auga “eye”/“to see.” It literally translates to ‘eye-hole.’

The first windows were simple openings in the walls or roof, occasionally covered with cloth or wood. Before glass, windows were commonly made of paper, cloth, animal hide, flattened pieces of animal horn or thin slices of marble.

Glass is infinitely recyclable; it can be re-used repeatedly. It takes more than 1 million years for it to decompose.

The first known “glass” windows were likely produced in about 100 A.D. by the Roman Egyptians. These windows were extremely thick and almost impossible to see out of. It would be almost a millennium before windows became as transparent as we now know them.

Stained glass windows are a staple in churches and cathedrals. The method used to making stained glass is the exact same today as it was when it was originally created in the middle ages.
The Empire State Building is 102 stories high and has 6,500 windows.

Considered the tallest building in the world, the Burj Khalifa, in Dubai houses an amazing 34,348 windows.

In 1969 England, there was a tax imposed on windows. It was introduced during the reign of William III, and it was based on the number of windows in a building. Houses with fewer than ten windows were initially exempt, with owners of houses with more windows forced to pay additional taxes for each additional window. Naturally, it was easy to collect this tax, as the number of windows could be seen clearly even from the street. However, after people started boarding up their windows, and after increasing reports of illnesses from poor ventilation and insufficient light, the Window Tax was repealed in 1851. Even Amsterdam participated in the window taxing system. The taxes were based on the number and size of windows on their façade. The larger the windows, the higher the taxes.

Windows are essential for heat insulation in the home. Approximately 25% of the heat loss in your home is through the windows.

Finally no house can be complete without any windows. Windows facilitate the entry of natural light indoors. They enable the occupants of a house to enjoy the views of their environment from the comfort of their homes and keep the house cross-ventilated and illuminated at the same time.

On reading this, you can see that windows are not just traditional requirements that each house must have, they are essential for your health and wellbeing. As such, houses with ample windows will seldom look gloomy or feel stuffy.

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àlàáfià was conceived as a space for calm reflection, a relaxing atmosphere tucked away from the madness of the Lagos hustle and bustle. The seven storey complex features Fourteen (14) en-suite units with quality fixtures in a modern-rustic minimalist finish.

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